

Relator Fees and Settlements of Stark Law and Anti-Kickback Cases

In September of 2019, three **whistleblowers received more than \$17.7 Million** as a Relator share when a pharmaceutical company was charged for paying kickbacks to a health care provider to prescribe the company's drug to beneficiaries of federal health care programs. The company agreed to pay more than **\$108 million** in criminal penalties, forfeiture, and civil damages. DOJ alleged that the pharmaceutical company paid kickbacks in the form of money, honoraria, travel, and meals to health care providers of elderly patients at long-term care facilities to induce them to prescribe the company's drug for behaviors associated with dementia patients, which is not an approved use of the drug. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Pharmaceutical Company Targeting Elderly Victims Admits to Paying Kickbacks, Resolves Related False Claims Act Violations (Sept. 26, 2019), <https://www.justice.gov/opa/pr/pharmaceutical-company-targeting-elderly-victims-admits-paying-kickbacks-resolves-related>.

In November of 2019, the **whistleblowers received \$4.4 Million** as their share of the government's recovery when a laboratory company agreed to pay **\$26.7 million** to settle allegations that it violated the AKS and the Stark Law, as well as allegations that it improperly billed claims to the federal government for laboratory testing. The settlement resolved claims that the laboratory agreed to provide laboratory testing for small Texas hospitals in exchange for per-test payments. The physicians involved allegedly referred patients to the Texas hospitals for laboratory testing performed by the company, which were then billed to Medicare, Medicaid, and TRICARE. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Laboratory to Pay \$26.67 Million to Settle False Claim Act Allegations of Illegal Inducements to Referring Physicians (Nov. 26, 2019), <https://www.justice.gov/opa/pr/laboratory-pay-2667-million-settle-false-claims-act-allegations-illegal-inducements-referring>.

In September of 2019 a compounding pharmacy agreed to a **\$21.4 million** settlement in total to resolve allegations that they violated the FCA through their involvement in an alleged kickback scheme to induce referrals of prescriptions that were reimbursed by TRICARE. DOJ alleged that the compounding pharmacy paid kickbacks to outside "marketers" that paid telemedicine doctors to prescribe military members and their families compounded creams and vitamins that were formulated to ensure the highest reimbursement from TRICARE. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Compounding Pharmacy, Two of Its Executives, and Private Equity Firm Agree to Pay \$21.36 Million to Resolve False Claims Act Allegations (Sept. 18, 2019), <https://www.justice.gov/opa/pr/compounding-pharmacy-two-its-executives-and-private-equity-firm-agree-pay-2136-million>.

In September of 2019, **two whistleblowers received over \$2 Million** when Trident USA Health Services LLC agreed to pay **\$8.5 million** to settle allegations that it engaged in a kickback scheme with skilled nursing facilities. DOJ alleged that the diagnostic services company provided x-rays to nursing facilities at prices below fair market value in an effort to induce the facilities to refer federal health care business to the company. *See* Press Release, U.S. Atty's Office for the E. Dist. of Pa., Trident USA Health Services LLC to Pay \$8.5 Million to Resolve False Claims Act Liability for Alleged Kickback Scheme (Sept. 25, 2019), <https://www.justice.gov/usao-edpa/pr/trident-usa-health-services-llc-pay-85-million-resolve-false-claims-act-liability>.

In October of 2019, a genetic testing company agreed to pay **\$42.6 million** in total to settle claims that they violated the FCA by paying kickbacks to physicians in exchange for laboratory referrals and for providing and billing medically unnecessary tests. The company and its principals allegedly paid the kickbacks to induce orders of pharmacogenetic tests, in return for the physicians' participation in a clinical trial.. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Genetic Testing Company and Three Principals Agree to Pay \$42.6 Million to Resolve Kickback and Medical Necessity Claims (Oct. 9, 2019), <https://www.justice.gov/opa/pr/genetic-testing-company-and-three-principals-agree-pay-426-million-resolve-kickback-and>.

In October of 2019, the **whistleblowers received \$3.4 Million** when Sanford Health hospital entities agreed to pay **\$20.25 million** to settle FCA allegations that they submitted false claims to federal health care programs resulting from violations of the AKS and medically unnecessary spinal surgeries. The settlement resolves allegations that the hospital entities received repeated warnings that one of its top neurosurgeons was improperly receiving kickbacks from his use of implantable devices distributed by his physician-owned distributorship and was performing medically unnecessary procedures. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Sanford Health Entities to Pay \$20.25 Million to Settle False Claims Act Allegations Regarding Kickbacks and Unnecessary Spinal Surgeries (Oct. 28, 2019), <https://www.justice.gov/opa/pr/sanford-health-entities-pay-2025-million-settle-false-claims-act-allegations-regarding>.

In November of 2019, the **whistleblower received \$5.9 Million** as her share of the government's recovery when the California Health System and Surgical Group agreed to pay the federal government **\$46 million** to resolve allegations arising from claims they submitted to Medicare. The settlement resolved allegations that one hospital violated the Stark Law by billing Medicare for services referred by an affiliated physician group, to whom it allegedly paid amounts under a series of compensation agreements that exceeded the fair market value for the services provided. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, California Health System and Surgical Group Agree to Settle Claims Arising from Improper Compensation Agreements (Nov. 15, 2019),

<https://www.justice.gov/opa/pr/california-health-system-and-surgical-group-agree-settle-claims-arising-improper-compensation>.

In November of 2019, the **whistleblower received \$1.9 Million** as her share of the government's recovery when a hospital pharmacy agreed to pay **\$10 million** to the federal government to settle claims that it violated the FCA by submitting false claims to Medicare for prescription drugs that did not meet Medicare coverage requirements. The settlement also resolved allegations that the company submitted claims to Medicare that resulted from improper remuneration provided to Medicare beneficiaries in the form of free blood glucose testing supplies and waiver of co-payments and deductibles for insulin, in violation of the AKS. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Kentucky Hospital to Pay over \$10 Million to Resolve False Claims Act Allegations (Nov. 20, 2019), <https://www.justice.gov/opa/pr/kentucky-hospital-pay-over-10-million-resolve-false-claims-act-allegations>.

In August of 2018, a regional hospital system agreed to pay **\$84.5 million** to resolve allegations that it maintained improper relationships with eight referring physicians, submitted claims for services provided to illegally referred patients in violation of the AKS and Stark Law, and misrepresented the qualifications of a radiology center to federal programs. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Detroit Area Hospital System to Pay \$84.5 Million to Settle False Claims Act Allegations Arising From Improper Payments to Referring Physicians (Aug. 2, 2018), <https://www.justice.gov/opa/pr/detroit-area-hospital-system-pay-845-million-settle-false-claims-act-allegations-arising>; Danielle Nichole Smith, Hospital System Will Pay \$84.5 Million To End FCA Kickback Claims, Law360 (Aug. 2, 2018), https://www.law360.com/governmentcontracts/articles/1069818/hospital-system-will-pay-84-5m-to-end-fca-kickback-claims?nl_pk=a3467962-dd33-4efa-a9fcbff3c03255e8&utm_source=newsletter&utm_medium=email&utm_campaign=governmentcontracts.

In August of 2018, a pharmaceutical company agreed to pay at least **\$150 million** to resolve allegations that it improperly paid medical practitioners to prescribe its opioid medication, in violation of the AKS. *See* Nate Raymond & Andy Thibault, *Insys to pay \$150 million to settle U.S. opioid kickback probe*, Reuters (Aug. 8, 2018), <https://www.reuters.com/article/us-insys-opioids/insys-to-pay-150-million-to-settle-u-s-opioid-kickback-probe-idUSKBN1KT1G5>.

The whistleblower received a **Relator Fee** of approximately **\$2.3 million** of the **\$13 million recovered funds** in August of 2018, when Post Acute Medical agreed to resolve allegations that they knowingly submitted claims for services referred and provided in violation of the AKS and Stark Law. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Post

Acute Medical Agrees to Pay More Than \$13 Million to Settle Allegations of Kickbacks and Improper Physician Relationships (Aug. 15, 2018), <https://www.justice.gov/opa/pr/post-acute-medical-agrees-pay-more-13-million-settle-allegations-kickbacks-and-improper>.

The **whistleblower**, a former chief financial officer for the system's physician network, received a **Relator Fee** of approximately **\$5.4 million** of the **\$24 million settlement** in September of 2018, when the Kalispell Regional Healthcare System agreed to settle allegations that they submitted claims to Medicare for services referred in violation of the Stark Law and AKS. The health care system allegedly paid excessive compensation to more than 60 physicians, paid excessive compensation to induce referrals, and provided administrative services at below fair market value. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Kalispell Regional Healthcare System to Pay \$24 Million to Settle False Claims Act Allegations (Sept. 28, 2018), <https://www.justice.gov/opa/pr/kalispell-regional-healthcare-system-pay-24-million-settle-false-claims-act-allegations>.

In December of 2018, Actelion agreed to pay **\$360 million** to settle claims that it used a non-profit foundation as an illegal conduit to pay copays of Medicare patients taking its drug, in violation of the AKS, based on allegations that, rather than allowing financially needy Medicare patients to participate in the company's free drug program, it referred them to the foundation, which paid their copays, resulting in claims to Medicare for the remaining cost. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Drug Maker Actelion Agrees to Pay \$360 Million to Resolve False Claims Act Liability for Paying Kickbacks (Dec. 6, 2018), <https://www.justice.gov/opa/pr/drug-maker-actelion-agrees-pay-360-million-resolve-false-claims-act-liability-paying>.

In December of 2018, Aurora Health Care, Inc. agreed to pay **\$12 million** to settle allegations that it entered into improper compensation arrangements with two physicians in violation of the Stark Law. *See* Press Release, U.S. Atty's Office for the Eastern Dist. of Wis., Aurora Health Care, Inc. Agrees to Pay \$12 Million to Settle Allegations Under the False Claims Act and the Stark Law (Dec. 11, 2018), <https://www.justice.gov/usao-edwi/pr/aurora-health-care-inc-agrees-pay-12-million-settle-allegations-under-false-claims-act>.

The **whistleblower**, a doctor in the cardiology group, received a **Relator Fee** of approximately **\$6 million** of the **\$20.8 million settlement** in March of 2018, when a hospital and cardiology group agreed to resolve claims that the two engaged in improper financial relationships to secure physician referrals. Specifically, the government alleged that the hospital paid the cardiology group up to \$2 million per year under physician and administrative service arrangements for services that were duplicative, not performed, or not needed. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Pennsylvania Hospital and Cardiology Group Agree to Pay \$20.75 Million to Settle Allegations of

Kickbacks and Improper Financial Relationships (Mar. 7, 2018), <https://www.justice.gov/opa/pr/pennsylvania-hospital-and-cardiology-group-agree-pay-2075-million-settle-allegations>.

The **whistle-blower** received a Relator Fee of approximately **\$1.7 million** of the **\$11.5 million settlement** in March of 2018, when a Texas company operating radiation therapy centers nationwide, along with its acquirer, agreed to pay up to **\$11.5 million** to settle allegations that the Texas company paid kickbacks to physicians for referring patients to its cancer treatment centers. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Radiation Therapy Company Agrees to Pay Up to \$11.5 Million to Settle Allegations of False Claims and Kickbacks (Mar. 29, 2018), <https://www.justice.gov/opa/pr/radiation-therapy-company-agrees-pay-115-million-settle-allegations-false-claims-and>.

In May of 2018, a United States District Court entered a judgment totaling approximately **\$114 million** against three individuals found liable under the FCA of paying kickbacks to physicians in exchange for patient referrals. The underlying claims were initially brought as part of three lawsuits filed by **four whistle-blowers**, alleging that the kickback scheme caused two blood testing laboratories in Virginia and California to bill federal health care programs for medically unnecessary tests. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, United States Obtains \$114 Million Judgment Against Three Individuals for Paying Kickbacks for Laboratory Referrals and Causing Claims for Medically Unnecessary Tests (May 29, 2018), <https://www.justice.gov/opa/pr/united-states-obtains-114-million-judgment-against-three-individuals-paying-kickbacks>.

The **relator**, a former physician employed by the hospital, received a **Relator Fee** of **approximately \$4.5 million of a \$17 Million Settlement** in July of 2016, when a hospital agreed to resolve allegations that it violated the FCA and the Stark Law by maintaining improper financial arrangements with 28 physicians. The government alleged that the hospital entered into improper employment agreements and asset purchase agreements for the acquisition of physician practices, which were tied to referral volume or value, were not "commercially reasonable," or exceeded fair market value. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, South Carolina Hospital to Pay \$17 Million to Resolve False Claims Act and Stark Law Allegations (July 28, 2016), <https://www.justice.gov/opa/pr/south-carolina-hospital-pay-17-million-resolve-false-claims-act-and-stark-law-allegations>.

In February of 2016, a federal district court judge approved a settlement requiring Memorial Health hospital to pay **\$9.9 million** to resolve allegations that it paid physicians above-market rates in exchange for referrals for its services. The **whistleblower** was the hospital's former CEO. *See* Order, *United States ex rel.*

Schaengold v. Memorial Health, Inc. , No. 4:11-cv-58, Dkt. 163 (S.D. Ga. Feb. 8, 2016) (approving settlement agreement).

In January of 2016, a hospital agreed to pay more than **\$3.2 million** to resolve allegations that it violated the Stark Law and the FCA. The government alleged that the hospital entered into financial agreements with physicians that were not commercially reasonable or for fair market value. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, California Hospital to Pay More Than \$3.2 Million to Settle Allegations That It Violated the Physician Self-Referral Law (Jan. 15, 2016), <https://www.justice.gov/opa/pr/california-hospital-pay-more-32-million-settle-allegations-it-violated-physician-self-0>.

On November 30, 2015, a skilled nursing facility company agreed to pay nearly **\$3.2 million** to resolve claims that it violated the AKS by accepting kickbacks from ambulance companies in return for providing rights to the companies for profitable transportation referrals for Medicare and Medicaid. *See* Press Release, U.S. Atty's Office for the Southern Dist. of Texas, U.S. Dep't of Justice, Skilled Nursing Facility Company Agrees to Pay More Than \$3 Million to Resolve Kickback Allegations (Nov. 30, 2015), <http://www.justice.gov/usao-sdtx/pr/skilled-nursing-facility-company-agrees-pay-more-3-million-resolve-kickback-allegations>.

The **relator**, a physician who refused to sign a contract with the health care system, **received \$18.1 million of the \$72.4 million settlement proceeds** in October of 2015, when a health care system agreed to resolve claims that it allegedly violated the Stark Law and engaged in illegal Medicare billing practices. The health care system allegedly contracted with physicians to require them to refer their outpatient procedures to the health care system, paying them compensation that was above fair market value. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, United States Resolves \$237 Million False Claims Act Judgment against South Carolina Hospital that Made Illegal Payments to Referring Physicians (Oct. 16, 2015), <http://www.justice.gov/opa/pr/united-states-resolves-237-million-false-claims-act-judgment-against-south-carolina-hospital>.

In a case originally filed by a physician **whistleblower**, the **Relator received more than \$12 million** from the **\$69.5 million settlement** proceeds in September of 2015, when a Florida hospital taxing district operating hospitals agreed to settle claims that it paid certain referring physicians improper, excessive compensation that exceeded fair market value in violation of the Stark Law (and thereby caused violations of the FCA). *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Florida Hospital District Agrees to Pay United States \$69.5 Million to Settle False Claims Act

Allegations (Sept. 15, 2015), <http://www.justice.gov/opa/pr/florida-hospital-district-agrees-pay-united-states-695-million-settle-false-claims-act>.

In May of 2015, a district court judge approved a settlement requiring Westchester Medical Center to pay **\$18.8 million** to resolve claims that it submitted false claims to Medicare, as well as engaging in other alleged wrongdoing. According to the government, the medical center maintained an illicit financial relationship with a cardiology practice by paying the cardiologist practice to open a new practice with the purpose of referring patients to the center. *See* Press Release, U.S. Attorney's Office, S. Dist. of N.Y., U.S. Dep't of Justice, Manhattan U.S. Attorney Settles Civil Fraud Claims Against Westchester Medical Center Arising From Its Violations Of The Anti-Kickback Statute And The Stark Law (May 14, 2015), <http://www.justice.gov/usao-sdny/pr/manhattan-us-attorney-settles-civil-fraud-claims-against-westchester-medical-center>.

In April of 2015, in a case against a hospital that began as a *qui tam* suit filed by three individuals, the **Relators collectively received \$5,981,250** out of the **\$21.75 million settlement** proceeds when a Texas-based, county-owned hospital agreed to settle claims that it illegally took referrals into account when paying doctors their bonuses. According to the government, the hospital also allegedly paid certain cardiologists more than fair market value for their services in exchange for referrals. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Texas-Based Citizens Medical Center Agrees to Pay United States \$21.75 Million to Settle Alleged False Claims Act Violations (Apr. 21, 2015), <http://www.justice.gov/opa/pr/2015/April/15-civ-485.html>.

In October of 2014, a leading dialysis services provider agreed to pay **\$350 million** to resolve allegations that it paid kickbacks for patient referrals. It was alleged that the provider offered physicians joint venture opportunities in return for referrals. Additionally, it was alleged that the provider manipulated the value of the joint venture so that the physicians would realize an immediate return. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, DaVita to Pay \$350 Million to Resolve Allegations of Illegal Kickbacks (Oct. 22, 2014), <http://www.justice.gov/opa/pr/davita-pay-350-million-resolve-allegations-illegal-kickbacks>.

The **whistleblower**, a physician formerly employed by the physicians' group, received a **Relator Fee** of **\$4.41 million** as his share of the **\$24.5 million settlement** in July of 2014, when a hospital system and a physicians' group consented to settle allegations that they violated the FCA by paying or receiving financial inducements in connection with Medicare claims. The government alleged that the two hospital-affiliated clinics agreed to pay the physicians' group a percentage of Medicare payments for tests and

procedures referred by the group's physicians. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Alabama Hospital System and Physicians Group Agree to Pay \$24.5 Million to Settle Lawsuit Alleging False Claims for Illegal Medicare Referrals (July 21, 2014), <http://www.justice.gov/opa/pr/alabama-hospital-system-and-physician-group-agree-pay-245-million-settle-lawsuit-alleging>.

In May of 2014, a Kentucky-based hospital agreed to pay **\$40.9 million** to settle allegations that that the hospital violated the Stark Law by paying certain cardiologists salaries that exceeded fair market value. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, King's Daughters Medical Center to Pay Nearly \$41 Million to Resolve Allegations of False Billings for Unnecessary Cardiac Procedures and Kickbacks (May 28, 2014), <http://www.justice.gov/opa/pr/2014/May/14-civ-567.html>.

The **whistleblower**, a former employee who brought the *qui tam* suit, received a **Relator Fee of \$1.73 million** from the **\$9.9 million to settlement** in May of 2014, when Medtronic Inc. agreed to resolve claims that the company used multiple types of kickbacks to induce physicians to use its pacemakers and defibrillators. The company allegedly paid physicians to speak at events and provided free business plans and tickets to sporting events. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Minnesota-Based Medtronic Inc. to Pay \$9.9 Million to Resolve Claims That Company Paid Kickbacks to Physicians (May 28, 2014), <http://www.justice.gov/opa/pr/2014/May/14-civ-571.html>.

The **relator** received a **Relator Fee of \$20.8 million** from an **\$85 million settlement** in March of 2014, when a Florida-based hospital system agreed to resolve allegations that it violated the Stark Law by billing Medicare for services referred to the hospital by physicians with a financial relationship with the hospital. In 2013, the U.S. District Court for the Middle District of Florida ruled that the hospital system's contracts with certain oncologists violated the Stark Law and the case settled shortly thereafter. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Florida Hospital System Agrees to Pay the Government \$85 Million to Settle Allegations of Improper Financial Relationships with Referring Physicians (Mar. 11, 2014), <http://www.justice.gov/opa/pr/2014/March/14-civ-252.html>.

In March of 2014, an Ohio hospital agreed to pay **\$8.5 million** to settle claims that, in its dealings with two physicians, it violated the FCA, Anti-Kickback Statute, and Stark Law. The government alleged certain physicians made improper referrals to the hospital in exchange for the hospital repurchasing intraocular lenses from the physicians at inflated prices. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Memorial Hospital in Ohio Pays Government \$8.5 Million to Settle False

Claims Act Allegations (Mar. 13, 2014),
<http://www.justice.gov/opa/pr/2014/March/14-civ-270.html>.

The three **whistleblowers** received a **Relator Fee of \$2.9 million** from a **\$15.5 million settlement** in February of 2014, when a group that operates a chain of diagnostic imaging facilities agreed to resolve allegations that it paid kickbacks to physicians and submitted false claims to Medicare and the New Jersey and New York Medicaid programs. The group allegedly required medically unnecessary tests to be performed by bundling tests together on the facilities' order forms. Personnel of the group also allegedly paid kickbacks for referrals of diagnostic tests. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Diagnostic Imaging Group to Pay \$15.5 Million for Allegedly Submitting False Claims to Federal and State Health Care Programs (Feb. 25, 2014), <http://www.justice.gov/opa/pr/2014/February/14-civ-200.html>.

The **whistleblower**, a former vice president of the company, received a **Relator Fee of \$3.26 million** of the **\$40.1 million settlement** proceeds in January of 2014, a CareFusion agreed to settle allegations that it paid kickbacks to doctors and promoted improper uses for its products. Allegedly, the company paid as much as \$11.6 million in kickbacks to a single doctor to promote the use of the company's products. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, CareFusion to Pay the Government \$40.1 Million to Resolve Allegations That Include More Than \$11 Million in Kickbacks to One Doctor (Jan. 9, 2014), <http://www.justice.gov/opa/pr/2014/January/14-civ-021.html>.

In a case that began with *qui tam* suits by three cardiologists, the **Relators** received a **Relator Fee of \$2.46 million** of the **\$16.5 million settlement** funds. In addition to the allegations that physicians, with the knowledge of the hospital, performed numerous invasive but medically unnecessary cardiac procedures, the government further alleged that the hospital entered into sham management agreements as kickbacks that incentivized doctors to refer more patients to the hospitals. *See* Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, Kentucky Hospital Agrees to Pay Government \$16.5 Million to Settle Allegations of Unnecessary Cardiac Procedures (Jan. 29, 2014), <http://www.justice.gov/opa/pr/2014/January/14-civ-095.html>.

In April of 2013, Intermountain Health Care Inc agreed to pay **\$25.5 million** to settle claims that it violated the FCA by engaging in improper financial relationships with referring physicians. *See* Press Release, U.S. Dep't of Justice, Office of Pub. Affairs, Intermountain Health Care Inc. Pays U.S. \$25.5 Million to Settle False Claims Act

Allegations (Apr. 3, 2013), <http://www.justice.gov/opa/pr/2013/April/13-civ-378.html>.

In April of 2013, Amgen agreed to pay **\$24.9 million** to resolve allegations that it violated the FCA by paying kickbacks to long-term care pharmacy providers. The government accused the company of offering performance-based rebates tied to market share or volume thresholds in exchange for switching Medicare and Medicaid beneficiaries from a competitor drug. See Press Release, U.S. Dep't of Justice, Office of Pub. Affairs, Amgen to Pay U.S. \$24.9 Million to Resolve False Claims Act Allegations (Apr. 16, 2013), <http://www.justice.gov/opa/pr/2013/April/13-civ-438.html>.

In May of 2013, Adventist Health agreed to pay **\$14.1 million** to settle claims that it provided improper kickbacks and payments in exchange for physician referrals. **The whistleblowers** in the case collectively **received** over **\$2.8 million** from the settlement fund. See Press Release, U.S. Dep't of Justice, Office of Pub. Affairs, Adventist Health Pays United States and State of California \$14.1 Million to Resolve False Claims Act Allegations (May 3, 2013), <http://www.justice.gov/opa/pr/2013/May/13-civ-507.html>.

In May of 2013, ISTA Pharmaceuticals Inc pleaded guilty to a felony charge and agreed to pay \$33.5 million, of which \$15 million was allocated to settle FCA claims, arising from its alleged off-label promotion of a prescription drug and violations of the Anti-Kickback Statute. The *qui tam* **whistleblower received \$2.5 million** of the federal recovery. See Press Release, U.S. Dep't of Justice, Office of Pub. Affairs, ISTA Pharmaceuticals Inc. Pleads Guilty to Federal Felony Charges; Will Pay \$33.5 Million to Resolve Criminal Liability and False Claims Act Allegations (May 24, 2013), <http://www.justice.gov/opa/pr/2013/May/13-civ-606.html>.

In September of 2013, two *qui tam* **whistleblowers received over \$3.75 million** when a medical diagnostics company agreed to pay **\$17.5 million** to settle allegations that it paid kickbacks for referrals of services subsequently billed to Medicare and Medi-Cal. The DOJ alleged the company charged nursing facilities in California discounted rates for inpatient services paid by Medicare in exchange for the facilities' referral of outpatient business. See Press Release, Office of Pub. Affairs, U.S. Dep't of Justice, California Mobile Lab and X-ray Provider, Diagnostic Laboratories and Radiology, to Pay \$17.5 Million for Falsely Billing Medicare and Medi-CAL (Sept. 25, 2013), <http://www.justice.gov/opa/pr/2013/September/13-civ-1068.html>.

